

DRAFT INTERPRETIVE STATEMENT A-020334

- 1 The Washington Utilities and Transportation Commission (Commission), issues this interpretive statement to remove possible uncertainty about when a public service company undertakes to issue securities and, therefore, must file with the Commission pursuant to the requirements of RCW 80.08.040 and 81.08.040, and WAC 480-146-290. This statement clarifies that a filing with the Commission is not required upon making a shelf registration filing with the Securities and Exchange Commission. A shelf registration filing is defined under the General Rules and Regulations promulgated under the Securities Act of 1933, Rule 415 – Delayed or Continuous Offering and Sale of Securities.
- 2 RCW 80.08.040 and 81.08.040, and WAC 480-146-290 require that any public service company that undertakes to issue securities to file certain information with the Commission before such issuance.
- 3 Increased volatility and uncertainty in energy, communications and water markets heighten the Commission’s concern with how public service companies use the proceeds from proposed financings and the resultant impact upon their capital structures. The proposed clarification will ensure that regulated companies provide the Commission with relevant and complete financing information on a timely basis, and that they are spared the burden of filing documents that do not provide relevant information.
- 4 Companies are encouraged to time their filings with a date when reasonable specificity or detail is available about the amount, type and terms of the issuance. Term sheets of the financing are particularly useful in providing a concise summary. Examples of other useful information are offering circulars and/or board meeting minutes approving the transaction.
- 5 Filings with the Commission should:
- (1) Designate the type of security;
 - (2) Specify the purposes for which the issuance is made;
 - (3) Describe the proposed issuance including the anticipated amount and terms; and
 - (4) State why the transaction is in the public interest.
- 6 Filing a Registration Statement with the Securities and Exchange Commission using a shelf registration process does not constitute undertaking the issuance of a security and therefore a filing with the Commission is not required under the provisions of RCW 80.08.040 and 81.08.040, and WAC 480-146-290. However, public service companies are encouraged to file Registration Statements with the Commission for informational purposes.